

Maine Revised Statutes
Title 13: CORPORATIONS
Chapter 99: UNIFORM PRUDENT
MANAGEMENT OF INSTITUTIONAL FUNDS ACT

§5105. DELEGATION OF MANAGEMENT AND INVESTMENT FUNCTIONS

1. Delegation. Subject to any specific limitation set forth in a gift instrument or in law other than this chapter, an institution may delegate to an external agent the management and investment of an institutional fund to the extent that an institution could prudently delegate under the circumstances. An institution shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

A. Selecting an agent; [2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF).]

B. Establishing the scope and terms of the delegation, consistent with the purposes of the institution and the institutional fund; and [2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF).]

C. Periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the scope and terms of the delegation. [2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF).]

[2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF) .]

2. Agent's duty. In performing a delegated function, an agent owes a duty to the institution to exercise reasonable care to comply with the scope and terms of the delegation.

[2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF) .]

3. Liability of institution. An institution that complies with subsection 1 is not liable for the decisions or actions of an agent to which the function was delegated.

[2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF) .]

4. Submits to jurisdiction. By accepting delegation of a management or investment function from an institution that is subject to the laws of this State, an agent submits to the jurisdiction of the courts of this State in all proceedings arising from or related to the delegation or the performance of the delegated function.

[2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF) .]

5. Committees; officers; employees. An institution may delegate management and investment functions to its committees, officers or employees as authorized by the laws of this State other than provisions of this chapter.

[2009, c. 450, §2 (NEW); 2009, c. 450, §3 (AFF) .]

SECTION HISTORY

2009, c. 450, §2 (NEW). 2009, c. 450, §3 (AFF).

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